

Message Text

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70

ORIGIN ARA-20

INFO OCT-01 ISO-00 AEC-11 AID-20 CEA-02 CIAE-00 CIEP-03

COME-00 DODE-00 EB-11 FPC-01 H-03 INR-11 INT-08 L-03

NSAE-00 NSC-07 OMB-01 PM-07 RSC-01 SAM-01 SCI-06

SP-03 SS-20 STR-08 TRSE-00 FRB-03 FEA-02 INRE-00

NSCE-00 SSO-00 OPIC-12 PA-04 PRS-01 USIE-00 /170 R

DRAFTED BY ARA-LA/EP:RFWEBER:ET

APPROVED BY ARA-EP:SPRINGLE

EB/IFD/OIA:RSMITH(INFO)

L/ARA:DGANTZ (INFO)

----- 071912

O R 142158Z AUG 74 ZFF4

FM SECSTATE WASHDC

TO AMEMBASSY QUITO NIACT IMMEDIATE

INFO AMCONSUL GUAYAQUIL

C O N F I D E N T I A L STATE 178172

E.O. 11652: GDS

TAGS:ENGR, EC, EINV

SUBJECT: PETROLEUM: ADA CASE

REF: A. DEPT. 176947;

B. QUITO 5366

1. IN DISCUSSION TODAY LASSITER ADVISED ARA/EP OF
MODIFICATION AGREED UPON AMONG ADA OWNERS IN COURSE
OF ACTION REPORTED REF A. ADA NOW PROPOSES TO SEND SHORT
LETTER TO PRESIDENT RODRIGUEZ-LARA ATTACHED TO WHICH
WOULD BE COPY OF LONG LETTER TO MINISTER JARRIN AS
CHAIRMAN OF COMMISSION SETTING FORTH ADA'S FULL CASE.
LASSITER READ PORTIONS OF LETTERS TO US AND PROMISED
TRANSMIT COPIES TO DEPARTMENT.

2. LASSITER FEELS VERY STRONGLY THE NECESSITY OF
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PRESENTING ADA'S CASE DIRECTLY TO PRESIDENT RODRIGUEZ-LARA

WITHOUT THE FILTERING CERTAIN TO BE INVOLVED IN COMMUNICATIONS THROUGH THE COMMISSION OR THE MINISTRY OF NATURAL RESOURCES.

3. WE POINTED OUT TO LASSITER DISADVANTAGES OF SENDING LETTERS AS DISCUSSED IN REF B AND IN PREVIOUS MESSAGES. WE ARGUED STRONGLY THAT IT WOULD BE MUCH MORE EFFECTIVE WERE A SENIOR AMERICAN ADA OFFICIAL, PRESUMABLY LASSITER, TO GO NOW TO QUITO TO PRESENT THE

COMPANY'S CASE ORALLY. WE POINTED OUT THAT IF ADA STILL FELT THE NECESSITY OF MAKING A FORMAL WRITTEN CASE THIS OPTION WOULD NOT BE FORECLOSED BY PRIOR FACE-TO-FACE DISCUSSIONS.

4. SOMEWHAT RELUCTANTLY LASSITER AGREED TO CONSIDER THIS ALTERNATIVE AND CONSULT OWNERS. LASSITER CLEARLY CONCERNED OVER EXACT SCENARIO SHOULD HE AGREE TO MAKE THE TRIP TO ECUADOR. HE POINTED OUT THAT ON PREVIOUS OCCASIONS HE AND HIS NEGOTIATING TEAM HAD EXPERIENCED DIFFICULTY IN OBTAINING ACCESS TO HIGH LEVEL GOE OFFICIALS. HE REQUESTED THAT WE QUERY EMBASSY AS TO WHICH OFFICIALS HE SHOULD SEE AND WHETHER EMBASSY WOULD BE PREPARED SET UP APPOINTMENTS.

5. WE AGREED COMMUNICATE EMBASSY RESPONSE TO LASSITER EARLY AUGUST 15. IN THE MEANTIME BASTIDES AND JIMENEZ DEPARTING HOUSTON EVENING AUGUST 14 CARRYING SIGNED COPY OF LETTER WHICH THEY WILL BE INSTRUCTED TO HOLD PENDING FURTHER COMMUNICATION FROM LASSITER. KISSINGER

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PETROLEUM INDUSTRY, NATURAL GAS, NATIONALIZATION, COMPENSATION, PETROLEUM CONCESSIONS, FOREIGN INVESTMENTS, COMMITTEES, NEGOTIATIONS
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Draft Date: 14 AUG 1974
Decaption Date: 01 JAN 1960
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Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: CollinP0
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
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Review Event:
Review Exemptions: n/a
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Review Markings:

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US Department of State
EO Systematic Review
30 JUN 2005

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To: QUITO
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005